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(WASHINGTON, DC) — Congress continued Wednesday to move forward a bipartisan measure to aid the auto industry — hit hard by a sharp downturn in sales and already on shaky business foundations.

"Our country is experiencing a crisis and the problems facing automakers must be fixed to help stabilize our entire country,"

remarked Congressman Russ Carnahan (MO-3). "

It's important to recognize that this problem is just one piece of a complicated economic mess.

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We must get the auto industry back on its feet and we must get credit in the hands of the American people so that they can receive the loans necessary to purchase the next generation of American ingenuity."

Comprehensive legislation passed by The United States House of Representatives will help the struggling auto industry in the short term, while protecting millions of American jobs and taxpayers. The \$14 billion in bridge loans are intended to help the struggling automakers survive while they develop plans to restructure their companies and begin to build more competitive, fuel-efficient, and technologically-advanced vehicles. **"I want to make one point clear to the auto industry:**

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loans given to them by the American people should be used to invest in 's interests.

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I don't want to hear about taxpayer dollars being used to build plants overseas.

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We are facing record-high unemployment.

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We must do everything we can to put people back to work,"
said Carnahan.

" Missouri has already been hit hard by auto manufacturing line closures in addition to layoffs crossing all sectors of the economy.

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Without action, we are putting our nations' economy and national security at risk."

One in ten American jobs is linked to the auto industry. GM, Ford and Chrysler support about 5 million American jobs, including auto parts manufacturers and auto dealers nationwide. An estimated 3.3 million jobs would be lost in the first year if the American automakers collapsed — nearly three times the jobs lost economy-wide this year. In addition, more than 1 million American workers and retirees are directly employed or supported by the major automakers, with 2 million Americans getting health care benefits through the auto industry.

In fact, Missouri has the second-highest number (along with Ohio) of automobile plants in the nation just after Michigan , but the truth is this problem is much larger than the Big Three. A failure of the auto manufacturing industry not only directly affects the dealerships, parts-makers, those with existing car warranties it also puts thousands upon thousands out of work — 3.3 million nationwide after direct and indirect hits are factored.

"Our country is already facing historically high unemployment.

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We cannot afford to let our manufacturing industry fail; we cannot afford to lose 3.3 million more American jobs"

Carnahan added.

"I have met and consulted with a wide-range of Missouri stakeholders including the Big Three, suppliers, UAW, members and auto dealers.

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All of the stakeholders are going to have to make concessions to put together a sustainable plan for the future.

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It's important that everyone come together for the greater good.

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Everyone loses if our auto industry goes bankrupt."

In order to assure accountability, the President will designate one or more individuals, commonly referred to as the 'Car Czar,' to oversee car company operations and hold the companies accountable for developing and implementing viable long-term restructuring plans and ensure compliance on financing efforts. In addition, the federal government steps to the front of the line ahead of other creditors for repayment, and receives assurances that stock shareholders will go without paid dividends over the life of the loans.

Also, the companies must agree to bans on corporate perks and golden parachutes for company executives, while all employees, labor unions, dealers, suppliers, creditors, and shareholders are all being asked to participate in the restructuring efforts.

To ensure the companies restructure to achieve viability, international competitiveness, increased fuel efficiency standards, and reduced emissions:

- The 'Car Czar' can require immediate repayment of the loan if the company has not made adequate progress by February 15th to develop a long-term restructuring plan,
- The company will get no more federal assistance if it fails to submit an acceptable final restructuring plan by March 31st.

"There have been decades of foot dragging to produce smaller more fuel-efficient vehicles right here in the United States while U.S. subsidiaries are producing and selling these vehicles overseas with huge success. It's time for the American people have the opportunity to purchase these vehicles," Carnahan observed.

Furthermore, the legislation sets aside \$500 million for 'innovation funds' to help the industry retool to build advanced technology vehicles that greatly reduce carbon emissions. Fuel efficiency standards will have to be met.

"Bankruptcy of one or more of the Big Three poses a huge risk. Mere questions of warranty and availability of parts, could trigger the collapse of manufacturing causing deep

rooted problems that affect everyone," said Carnahan.

"While it is evident that the Big Three have made mistakes, it's important to note that market share is not down, and overall car sales worldwide are down across the board.

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Other countries continue to augment their manufacturers.

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For years foreign manufacturers have not had to absorb escalating healthcare costs.

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Ironically, in the many of these foreign manufacturers enjoy a variety of tax credits and tax liability waivers."

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